

Letter to Stakeholders

James T. Smith, Secretary of The Maryland Department of Transportation (MDOT), is proud to announce the launching of a Small Business Enterprise (SBE) Program to enhance contracting opportunities for small businesses. The program, in accordance with 49CFR Sections 26.39 and 26.51, is race and gender neutral and is designed to provide contracting opportunities to small businesses on federally aided projects assisted by the Federal Aviation Administration (FAA), Federal Highway Administration (FHA), and Federal Transit Administration (FTA).

The goals of the SBE Program are to facilitate competition, eliminate obstacles, and increase opportunities for small businesses, including Disadvantaged Business Enterprises (DBEs), to participate as prime contractors on MDOT contracts without competing with larger and more established businesses. Successful bidders will gain practical experience and develop expertise that will enable them to better compete on successive projects as prime contractors and expand their business opportunities.

The SBE Program applies only to the State Highway Administration (SHA), Maryland Transit Administration (MTA), and Maryland Aviation Administration (MAA) on contracts that are funded in whole or in part with the United States Department of Transportation (USDOT) funds. The program is not applicable to MDOT contracts that are completely State funded or on contracts that receive funding from federal agencies other than USDOT.

SBE Program Eligibility:

- A firm must be a small business as defined by the U.S. Small Business Administration (SBA) by applying current SBA business size standards found in 13 CFR Part 121 that are applicable to the type of work the firm seeks to perform in USDOT-assisted contracts.
- The firm's average annual gross receipts as defined by SBA regulations (averaged over the previous three fiscal years or part of the year which the business has been in existence), can not exceed the amount set forth in 49 CFR 26.65.
- The firm's average gross receipts cannot exceed the overall USDOT size standard for a small business (\$22.41 million averaged over the three

previous fiscal years or part of year which the business has been in existence).

- At least 51% of the firm's ownership must be held by individuals who meet the personal net worth (PNW) cap of \$1.32 million as prescribed by 49 CFR 26.67.
- A firm must be organized for profit in order to be eligible for SBE certification.
- The 51% owner must be a U.S. Citizen or Permanent Resident.

A firm that is currently MDOT DBE certified will automatically be certified as SBE. All other firms that meet the eligibility requirements must apply to MDOT's Office of Minority Business Enterprise (OMBE) for SBE status. All SBE certified firms will appear in the online MDOT SBE Directory.

Each certified SBE firm must annually submit an affidavit to the OMBE affirming its continued eligibility to participate in the SBE program.

A firm seeking SBE certification and/or annual renewal must cooperate fully with OMBE's requests for information relevant to the certification and annual renewal process. Failure or refusal to provide such information may result in the denial or removal of certification.

All SBE certified firms will appear in the online MDOT SBE Directory.

Please visit [SBE](#) for Program Eligibility Requirements. The SBE Application will be available on February 28, 2014, and can be downloaded from the website, [SBE](#) Application Page, or obtained through U.S. Mail. OMBE will start accepting SBE applications on March 3, 2014.